



GRAIN TRANSPORTATION REPORT

Agricultural Marketing Service
United States Department of Agriculture



NOVEMBER 6, 2001

Information Exchange in Barge Industry: On October 25, the U.S. Department of Justice announced that it will allow a proposed exchange of historical cost information among 10 towing and barge companies that operate in various U.S. waters. In an effort to reduce their operating costs, the firms propose to submit certain historical cost information to an independent third party, who will compile the data and distribute a statistical analysis to the companies in the form of a survey. The purpose of the survey is to establish benchmarks and best practices so that each company will be better able to identify those areas in which it has the greatest potential to reduce costs, improve efficiency, and improve the quality and value of the service it offers to customers. The 10 initial participants will be Foss Maritime Company, Crescent Towing Company Inc., Crowley Marine Services, Hawaiian Tug and Barge, Intercoastal Towing Corp., Maritrans Operating Partners LP, McAllister Towing and Transportation, Moran Towing Corporation, Penn Maritime, and Sause Bros. Ocean Towing. Only financial information that collectively represents the towing and barge industry will be distributed. No pricing information, marketing plans, or equipment information will be included in the survey. No data will be exchanged directly between or among the individual companies. (USDA, Marketing and Transportation Analysis, Nick Marathon, Nicholas.Marathon@usda.gov, 10/30/01)

STB will Issue Final Environmental Impact Statement. The Surface Transportation Board's (STB) Section of Environmental Analysis (SEA) has completed the Final Environmental Impact Statement (FEIS) for the Dakota, Minnesota, and Eastern Railroad Corporation's proposed Powder River Basin (PRB) expansion project. The 2,500-page document, which sets forth the SEA's recommendation to STB commissioners, will be issued to the public on November 19. When the FEIS is released, STB will issue another news release summarizing the document's recommendations. STB commissioners must wait a minimum of 30 days after the report is issued before issuing a final decision on the proposed expansion. (USDA, Marketing and Transportation Analysis, Marvin Prater, Marvin.Prater@usda.gov, 10/31/01)

Senate Holds Hearings on Improved Safety for Rail Transportation. On November 1, the Senate Committee on Commerce, Science, and Transportation held hearings on RAIL-21, the Railroad Advancement and Infrastructure Law of the 21st Century. The bill's aim is to provide improved safety and security measures for rail transportation and improved passenger rail service. The proposed bill includes emergency Amtrak assistance, improvement of rail safety and security facilities, capital grants for railroad track, and high-speed rail corridor planning and development.

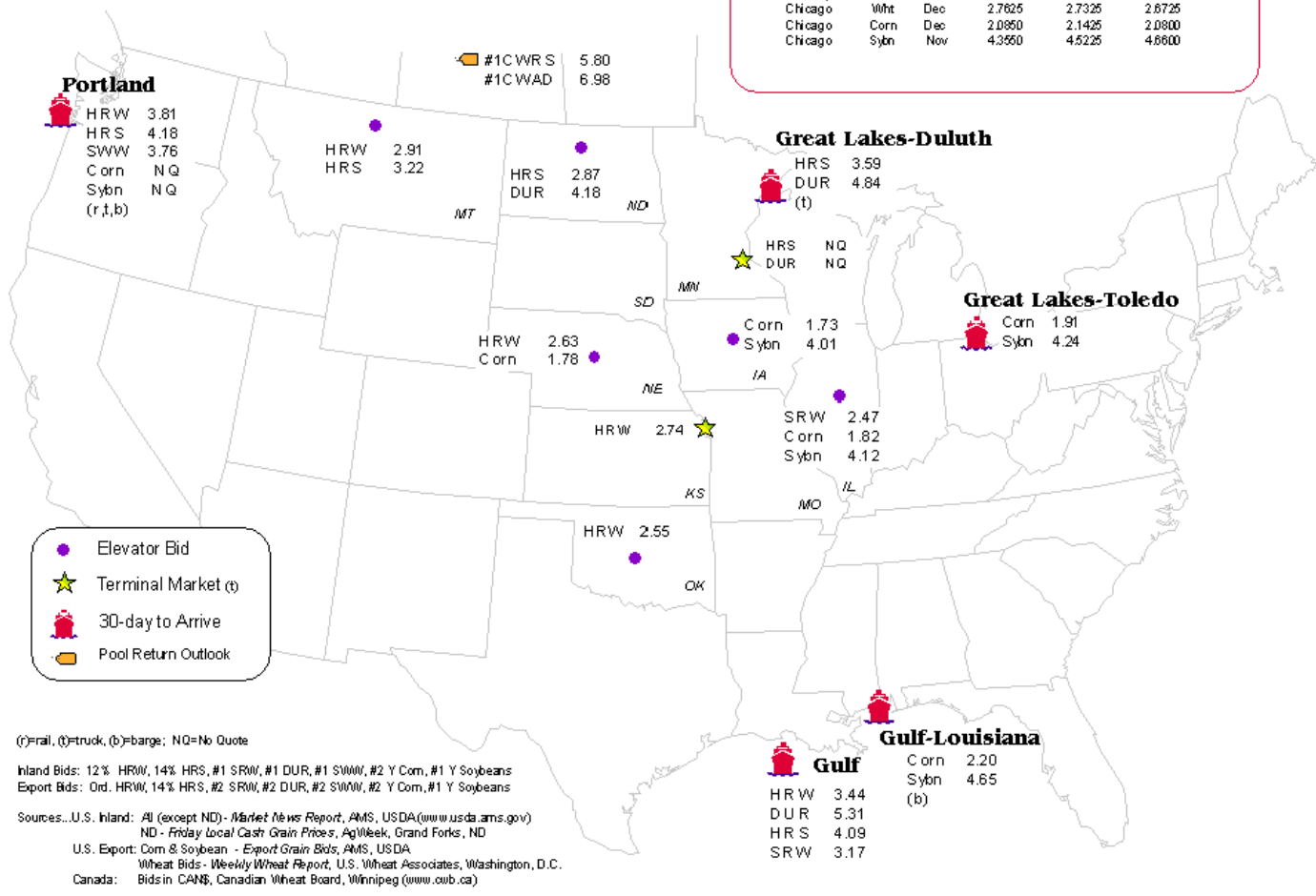
The bill authorizes \$35 billion for freight rail, passenger rail and rail security enhancement projects. Under RAIL-21 Class I railroads, regional railroads, short lines, and passenger projects are eligible for assistance. Seven billion dollars will be reserved for short lines. The bill also proposes that the Secretary of Transportation establish a program of capital grants for the rehabilitation and improvement of railroad track, including bridges and related track structures, for Class II and III railroads. The grants will be used for improving tracks used mainly for freight transportation to ensure that the track can be operated safely and can handle 286,000-pound railcars. The grants will be provided to either the Class II or III railroads, or to State or local governments. The appropriations for the capital grants program are \$350 million for each of the fiscal years 2002 through 2004.

Edward Hamberger, president and CEO of the Association of American Railroads, concluded his testimony by saying the following: "Our privately owned freight railroad system is a tremendous national asset, essential to our Nation's economy and defense. U.S. freight railroads move more freight, more efficiently, and at lower rates than anywhere else in the world...If railroads are to continue to provide safe, efficient and cost-effective transportation service that enhances our Nation's economic competitiveness and supports our national defense, the industry's massive capital needs must be met." (For more information, visit www.senate.gov.)

Report is prepared by Karl Hacker and Sigal Nissan, Agricultural Economists, Transportation & Marketing, Agricultural Marketing Service, USDA (202) 690-1304. Report design by Kimberly Vachal, Upper Great Plains Transportation Institute, North Dakota State University. This report can be found on the Internet at www.ams.usda.gov/tmd/grain.htm. E-mail comments to Karl.Hacker@usda.gov.

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Grain Bid Summary

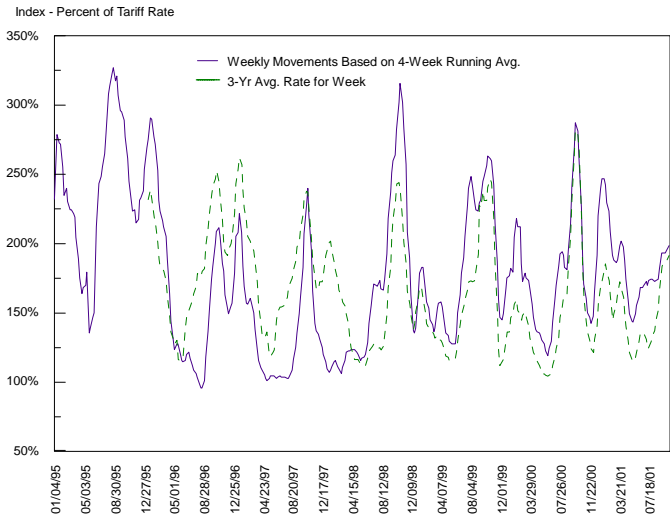


(r)=rail, (t)=truck, (b)=barge; NQ=No Quote

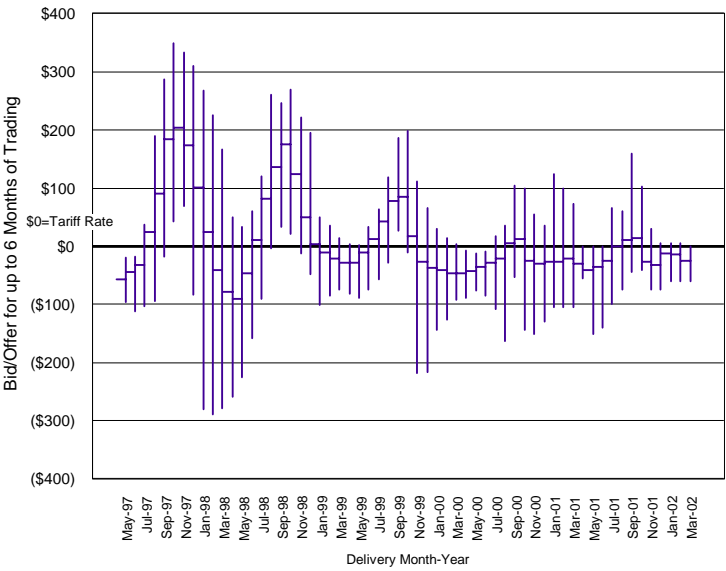
Inland Bids: 12% HRW, 14% HRS, #1 SRW, #1 DUR, #1 SWW, #2 Y Corn, #1 Y Soybeans
Export Bids: Ord. HRW, 14% HRS, #2 SRW, #2 DUR, #2 SWW, #2 Y Corn, #1 Y Soybeans

Sources...U.S. Inland: All (except ND) - Market News Report, AMS, USDA(www.usda.ams.gov)
ND - Friday Local Cash Grain Prices, AgWeek, Grand Forks, ND
U.S. Export: Corn & Soybean - Export Grain Bids, AMS, USDA
Wheat Bids - Weekly Wheat Report, U.S. Wheat Associates, Washington, D.C.
Canada: Bids in CAN\$, Canadian Wheat Board, Winnipeg(www.cwb.ca)

Spot Barge Rate - Illinois River



Secondary Rail Market Bids



Rail Car 'Auction' Offerings

Delivery for:	Dec-01		Jan-02	
	<u>Offered</u>	<u>% Sold</u>	<u>Offered</u>	<u>% Sold</u>
BNSF-COT	11,047	19%	13,454	2%
UP-GCAS	5,400	0%	No Offer	

Source: Transportation & Marketing /AMS/USDA; www.bnsf.com; www.uprr.com

Secondary Rail Car Market

Average Premium/Discount to Tariff, \$/Car - Last Week

	Delivery Period			
	Nov-01	Dec-01	Jan-02	Feb-02
BNSF-GF	\$(30)	\$(26)	\$(15)	\$(15)
UP-Pool	\$(28)	\$(50)	\$(42)	\$(45)

Source: T&M/AMS/USDA. Data from Atwood/ConAgra., Harvest States Co-op, James B. Joiner Co., Tradewest Brokerage Co.;

GF=Guaranteed Freight, GEEP=Guaranteed Eqpt. Exchange, Pool=Guaranteed Pool

note... bids listed are market INDICATORS only & are NOT guaranteed prices, missing value=No Bid Quoted

Railroad Car 'Auction' Results

Average Premium/Discount to Tariff, \$/Car - Last Auction

Delivery for:	Dec-01	Jan-02	Feb-02
COT/N. Grain	no bid	no bid	no bid
COT/S. Grain	no bid	no bid	no bid
GCAS/Region 2	no bid	no bid	no bid
GCAS/Region 4	no bid	no bid	no bid

Source: T&M/AMS/USDA. Data from www.bnsf.com, www.uprr.com, (COT=Certificate of Transportation; GCAS=Grain Car Allocation System)

Southbound Barge Freight Nominal/Cash Basis Values

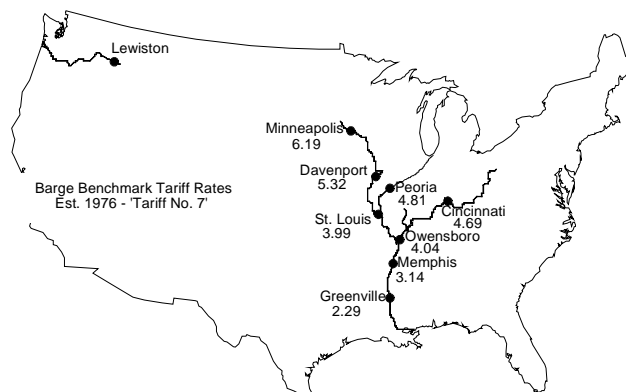
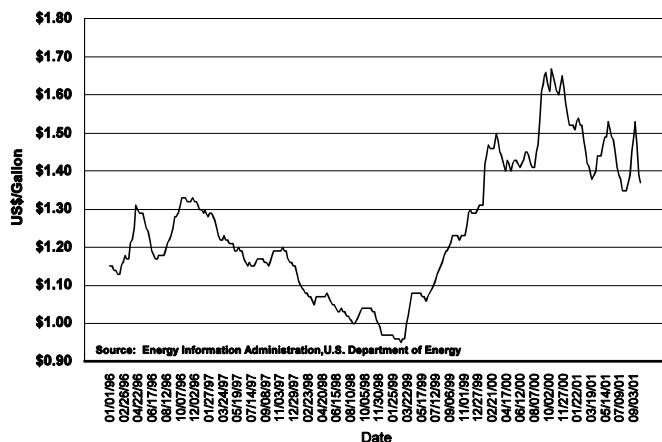
Index=Percent of Tariff, Based on 1976 Tariff Benchmark Rate

Week ended	River/Region	Contract Period	Rate	
			Futures	Cash
11/05/01	St. Louis	Nov	0	155
		Jan	128	143
		Mar	128	143
		May	136	0
		Jul	0	0
	Illinois River	Nov	0	173
		Jan	193	195
		Mar	170	173
		May	0	0
		Jul	0	0

Source: St. Louis Merchants Exchange

Southbound Barge Freight Spot Rates

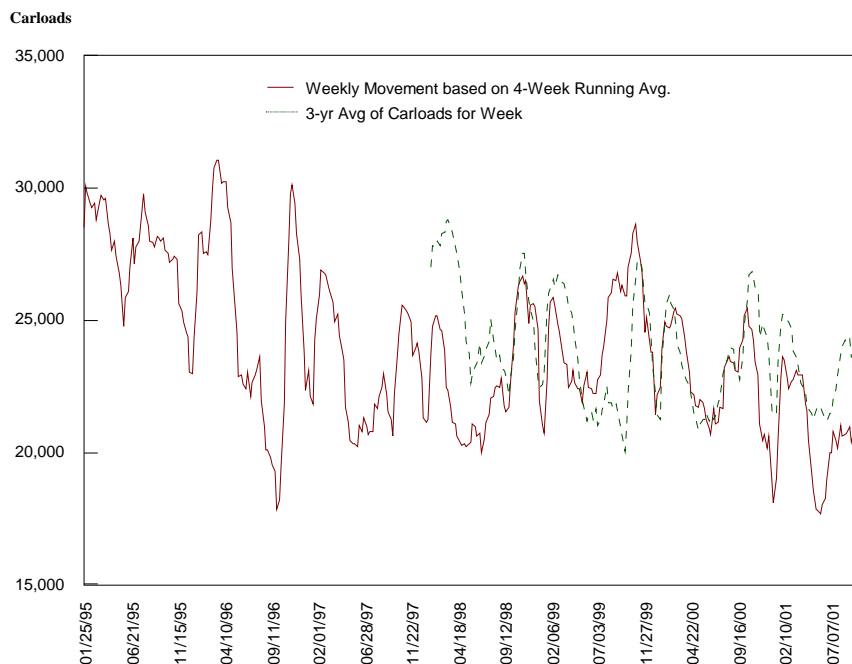
	10/31/01	10/24/01	Nov '01	Jan '02
Twin Cities	264	226	258	0
Mid-Mississippi	260	238	202	0
Illinois River	260	248	187	192
St. Louis	258	231	166	141
Lower Ohio	255	231	178	150
Cairo-Memphis	251	230	156	139

Source: Transportation & Marketing /AMS/USDA
nq=no quote;**Weekly Retail Diesel (Road) Prices (Including Taxes)**

Grain Car Loadings for Class I Railroads

Class I Railroad Grain Car Loadings	
Week Ending:	Carloads
10/13/01	25,773
10/20/01	25,925
10/27/01	25,002
Year to Date - 2001	916,754
Year to Date - 2000	1,007,225
Total 2000	1,188,917
Total 1999	1,270,375

Source: Association of American Railroads



Class I Rail Carrier Grain Car Bulletin

Grain Carloads Originated

	East				West			Canada	
	Conrail	CSXT	IC	NS	BNSF	KCS	UP	CN	CP
10/27/01	0	3,442	0	3,851	9,909	825	6,975	5,001	4,531
This Week Last Year	0	3,963	0	3,975	9,822	509	6,464	4,817	5,473
2001 YTD	0	125,066	0	131,931	350,937	20,906	287,914	210,158	192,112
2000 YTD	0	120,023	70,155	127,588	353,273	23,341	312,845	121,909	200,512
2000 Total	0	147,708	70,155	153,905	425,849	26,515	364,785	160,749	239,670
1999 Total	15,522	132,157	88,056	138,379	465,088	33,911	398,262	121,381	206,328

Source: Association of American Railroads

Tariff Rail Rates for Unit Train Shipments

October 2001

Date Effective	Tariff Item	Commodity	Origin	Destination	Rate Per Car	Rate Per MT	Rate/Per Bushel*
11/05/01	45560	Wheat	Minneapolis, MN	Houston, TX	\$2,050	\$22.60	\$0.62
11/05/01	43521	Wheat	Minneapolis, MN	Portland, OR	\$3,877	\$42.74	\$1.16
11/05/01	46540	Wheat	Kansas City, MO	Houston, TX	\$1,650	\$18.19	\$0.50
11/05/01	43586	Wheat	Kansas City, MO	Portland, OR	\$4,240	\$46.74	\$1.27
11/05/01	43581	Wheat	Omaha, NE	Portland, OR	\$3,905	\$43.04	\$1.17
11/05/01	31040	Corn	Minneapolis, MN	Portland, OR	\$2,900	\$31.97	\$0.81
11/05/01	31035	Corn	Kansas City, MO	Portland, OR	\$2,700	\$29.76	\$0.76
11/05/01	31040	Corn	Omaha, NE	Portland, OR	\$2,700	\$29.76	\$0.76
11/05/01	61180	Soybean	Minneapolis, MN	Portland, OR	\$2,730	\$30.09	\$0.82
11/05/01	61180	Soybean	Omaha, NE	Portland, OR	\$2,480	\$27.34	\$0.74
05/01/98	61180	Soybean	Omaha, NE	Portland, OR	\$2,780	\$25.23	\$0.83

Source: www.bnsf.com

Approximate load per car = 100 tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

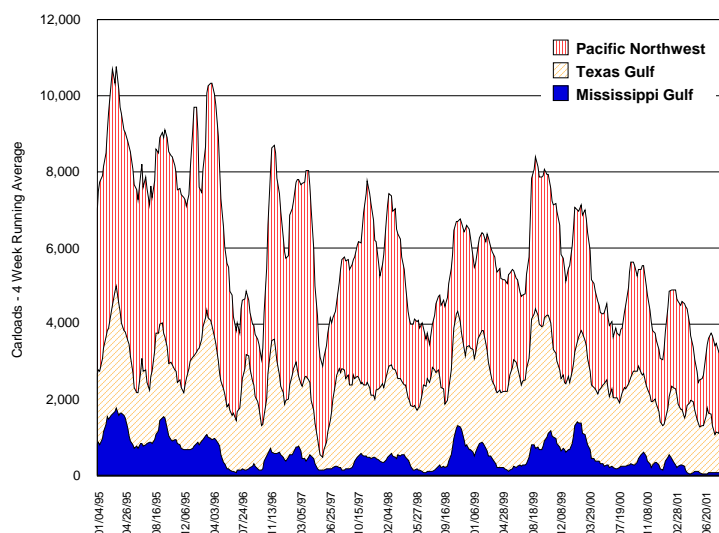
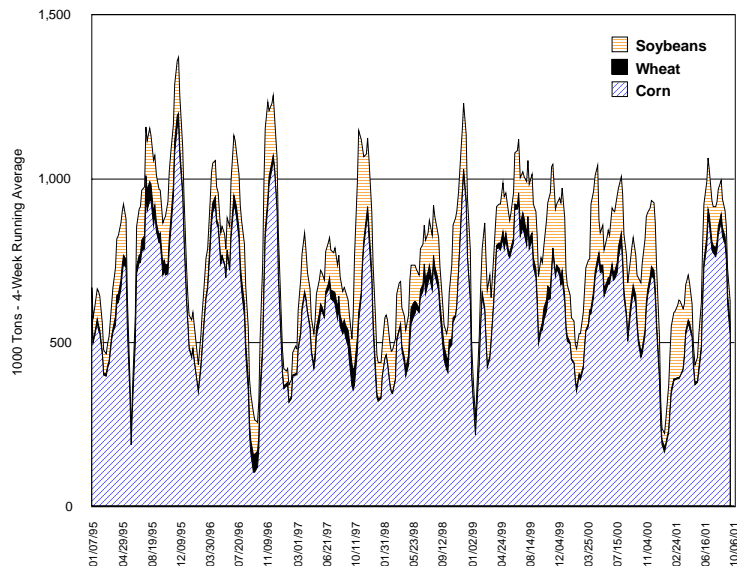
Rail Deliveries to Port**Carloads**

	Mississippi Gulf	Texas Gulf	Pacific Northwest	Atlantic & East Gulf
Week Ending:				
09/26/01	212*	1,833**	1,823	413
10/03/01	102*	1,368**	1,640	292
10/10/01	477*	2,215	2,861	519
10/17/01	591*	1,260	2,808	696
10/24/01	669*	918	3,157	1,000
10/31/01	511*	1,889	2,463	1,242
YTD 2001	8,860*	65,212**	93,369	21,933
YTD 2000	23,796	91,862	113,395	12,311
Total 2000	25,675	105,308	129,464	14,816
Total 1999	30,038	132,069	161,492	14,446

Source: Transportation & Marketing/AMS/USDA

(*) Incomplete Data

(**) Revised Data

Rail Deliveries to Port**Barge Movements - Locks 27****Barge Grain Movements**

for week ending 10/27/01

	Corn	Wht	Sybn	Total
	1,000 Tons			
Mississippi River				
Rock Island, IL (L15)	147	3	121	271
Winfield, MO (L25)	253	10	185	449
Alton, IL (L26)	435	11	220	668
Granite City, IL (L27)	448	18	246	726
Illinois River (L8)	90	0	11	102
Ohio (L52)	93	20	68	210
Arkansas (L1)	0	26	9	35
2001 YTD	26,055	2,280	7,404	37,333
2000 YTD	27,456	2,116	8,123	39,142
Total 2000	33,482	2,518	10,327	48,247
Total 1999	36,711	2,883	9,771	51,887

Miss YTD: Calendar year totals include Miss/27, Ohio/52 and Ark/1.

Source: U.S. Army Corp of Engineers

U.S. Export Balances (1,000 Metric Tons)

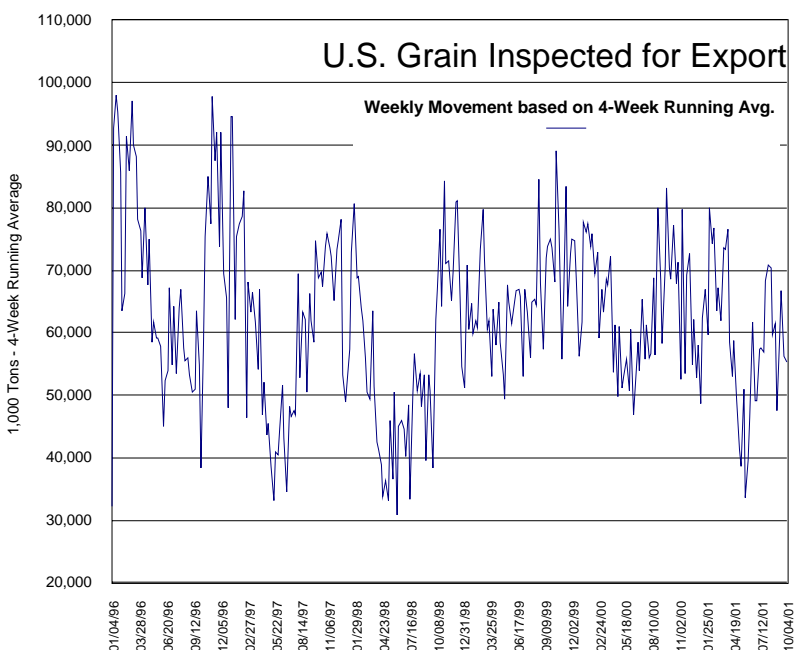
	<i>HRW</i>	<i>SRW</i>	<i>HRS</i>	Wheat <i>SWW</i>	<i>DUR</i>	<i>All</i>	Corn	Soybean	Total
<u>Unshipped Exports-Crop Year</u>									
10/25/01	1,386	1,023	1,060	565	214	4,248	6,788	8,511	19,547
This Week Year Ago	1,131	345	984	717	343	3,513	7,087	6,233	16,833
<u>Cumulative Exports-Crop Year</u>									
00/01 YTD	3,353	2,313	2,142	1,332	569	9,708	6,909	3,495	20,112
99/00 YTD	4,176	2,219	2,205	2,048	486	11,134	8,052	17,713	36,899
97/98 Total	9,858	4,710	6,305	5,413	1,232	27,518	37,220	24,516	89,254
96/97 Total	7,387	3,645	7,864	6,105	963	25,965	44,476	24,501	94,942

Source: Foreign Agricultural Service YTD-Year-to-Date (www.fas.usda.gov) Crop Year:Wheat=5/31-6/01, Corn & Soybeans=9/01-8/31

Select U.S. Port Regions - Grain Inspections for Export - 1,000 Metric Tons

	<u>Pacific Region</u>			<u>Mississippi Gulf</u>			<u>Texas Gulf</u>		
	<i>Wheat</i>	<i>Corn</i>	<i>Soybean</i>	<i>Wheat</i>	<i>Corn</i>	<i>Soybean</i>	<i>Wheat</i>	<i>Corn</i>	<i>Soybean</i>
11/01/01	225	57	177	68	612	742	171	0	86
2001 YTD	8,197	4,459	2,116	5,168	29,628	12,447	4,804	253	1,332
2000 YTD	8,238	5,448	1,285	5,789	30,265	14,099	6,146	413	962
% of Last Year	82%	74%	124%	76%	84%	69%	69%	54%	132%
1998 Total	10,838	4,373	651	5,048	31,330	14,917	7,270	562	1,392

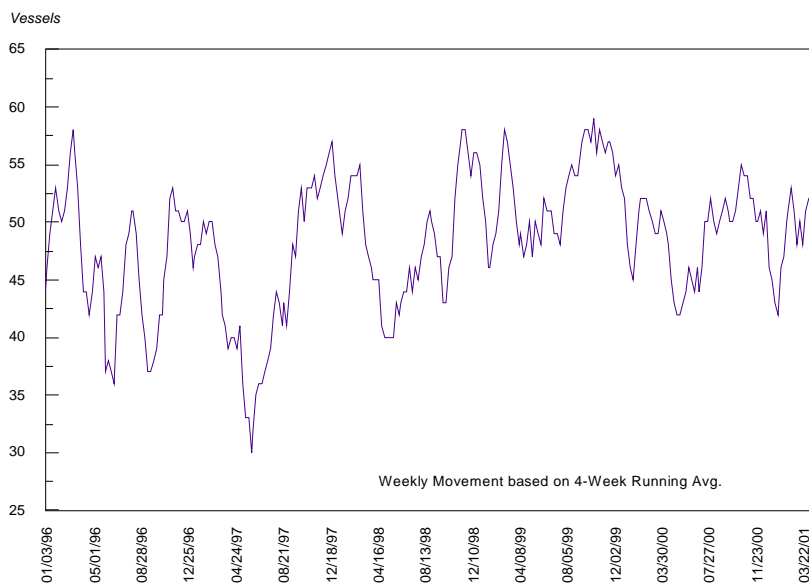
Source: Federal Grain Inspection Service YTD-Year-to-Date

**Select Canadian Ports - Export Inspections**

1,000 Metric Tons, Crop Year

	<u>Wheat</u>	<u>Durum</u>	<u>Barley</u>
Week Ended: 11/1/01			
Vancouver	1,714	117	72
Prince Rupert	55	0	0
Prairie Direct	189	41	64
Thunder Bay	125	54	0
St. Lawrence	874	323	4
2001 YTD Exports	2,957	535	140
2000 YTD Exports	3,271	812	235
% of Last Year	90%	66%	60%

Source: Canadian Grains Commission, Crop year 8/1-7/31



**Gulf Region
Vessels Loaded
- Past 7 Days-**

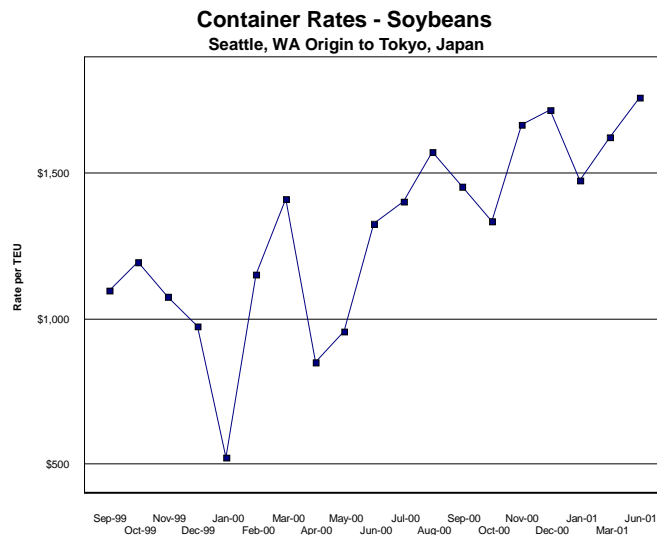
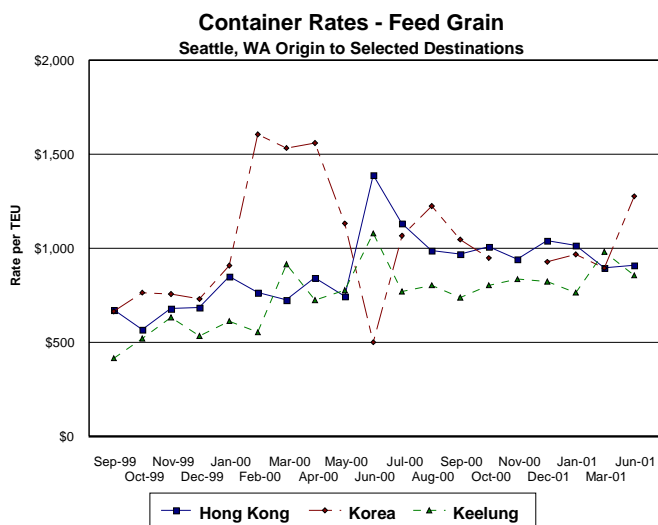
Port Region Ocean Grain Vessels

	Gulf			Pacific Northwest			Vancouver, B.C.		
	<u>In Port</u>	<u>Loaded 7-Days</u>	<u>Due Next 10-Days</u>	<u>In Port</u>	<u>Loaded 7-Days</u>	<u>Due Next 10-Days</u>	<u>In Port</u>	<u>Loaded 7-Days</u>	<u>Due Next 10-Days</u>
10/25/01	37	64	73	16			18	3	7
11/01/01	46	63	77	12			20	10	1
1999 Range	(14..47)	(39..65)	(34..80)	(6..18)			(2..20)	(2..15)	(0..9)
1998 Range	(19..62)	(34..64)	(40..93)				(1..19)	(3..14)	(0..10)
1999 Avg	32	52	65				9	9	3
1998 Avg	40	48	61				10	9	3
1997 Avg	33	45	58						

Source: Transportation & Marketing /AMS/ USDA

Container Ocean Freight Rates

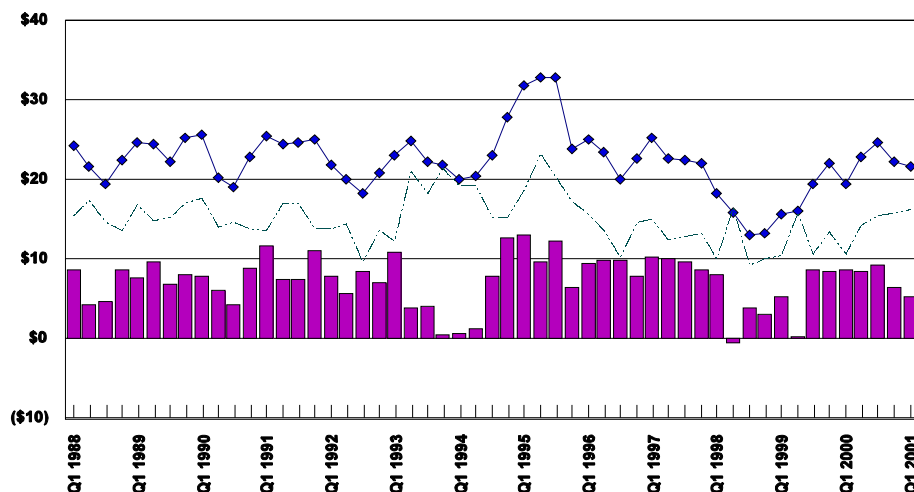
Monthly Weighted Averages Based on Shipping Line Monthly Mkt. Share



Source: Transportation & Marketing/AMS/USDA

◆ Rate - Gulf to Japan
 --- Rate - PNW to Japan
 ■ Spread - Gulf vs. PNW to Japan

US\$/Metric Ton



Quarterly Ocean
 Freight Rates

Quarterly Ocean Freight Rates

Average Rates & Percentage Changes, U.S. Dollars/Metric Ton - Basis

	2001 2 nd Qtr	2000 2 nd Qtr	% Change		2001 2 nd Qtr	2000 2 nd Qtr	% Change
Gulf to				Pacific NW to			
Japan	\$22.31	\$22.84	-2%	Japan	\$13.50	\$14.37	-6%
Mexico	\$17.84	\$16.58	8%	Red Sea/ Arabian Sea		\$33.46	
Venezuela	\$14.76	\$11.34	30%				
N. Europe	\$16.93	\$15.50	9%	Argentina to			
N. Africa	\$19.52	\$20.91	-6%	N. Europe	\$19.68	\$18.96	4%
				Japan	\$26.62	\$26.57	-

Source: Transportation & Marketing/AMS/USDA; (*) rates shown are for metric ton (2,204.62 lbs.=one metric ton)

Ocean Freight Rates (Select Locations) - week ending 10/27/01

Export Region	Import Region	Grain	Month	Volume Loaded (Tons)	Freight Rate (\$/Ton)
Galveston	Egypt	Wheat	Nov 5/15	55,000	\$11.75
Texas	Egypt	Wheat	Nov 5/10	55,000	\$11.25
Gulf	Morocco	Heavy Grain	Oct 30/Nov 8	30,000	\$15.00
Gulf	Taiwan	Heavy Grain	Dec 21/31	54,000	\$15.90
Mobile	Japan	Heavy Grain	Nov 10/20	54,000	\$18.35
Black Sea	Red Sea	Barley	Nov 2/10	55,000	\$13.75

Source: Maritime Research Inc.; rates shown are for long ton (2,240 lbs.=one long ton), F.O.B., except where otherwise indicated; op=option